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O. C. D.
ARTESIA, OFFICE

APR 02 1991

3160 (067)
NM-61579

CERTIFIED--RETURN RECEIPT REQUESTED
P 319 325 411

Southland Royalty Company
21 Desta Drive
Midland, TX 79705

RE: Lease No.: NM-61579
Well No. : Meridian Federal #1
Location : SW $\frac{1}{4}$ NW $\frac{1}{4}$, Sec. 25, T16S, R28E
Eddy County, New Mexico

Gentlemen:

Attached is a Sundry Notice on the above referenced well received in this office on January 18, 1991. The well has been drilled but has not been cased and completed as per the approved Application for Permit to Drill (APD).

In addition, the New Mexico Oil Conservation Division (NMOCD) has contacted our office indicating the presence of this uncased well is precluding approval of a waterflood project in the area.

Therefore and in accordance with the approved APD and 43 CFR 3162.1(a), you are hereby ordered to either: 1) case and properly cement the well as approved, or 2) plug and abandon the well to the satisfaction of this office. These actions must be completed within 30 days of receipt of this order or be subject to assessments and penalties contained in 43 CFR 3163.1 and 3163.2.

In accordance to 43 CFR 3165.3(b), you have the right to an Administrative Review (AR) which must be filed within twenty (20) business days from receipt of this notice. All AR requests must be filed to the BLM State Director, P. O. Box 1449, Santa Fe, New Mexico, 87504, ATTN: (922).

Please contact Tom Hare at (505) 887-6544 if there are any questions concerning this order.

Sincerely,

/s/ David Stout

FOR Richard L. Manus
Area Manager

Enclosures:

- Sundry Notice

cc: T. Hare
S. Shaw
J. Robinson
P. O. Drawer DD
Artesia, NM 88210